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February 28, 2000



Surface Transportation Board  
Office of the Secretary  
Case Control Unit  
Attn: STB Ex Parte No. 582  
1925 K Street, NW  
Washington, DC 20423-0001

RE: STB ex-Parte No. 582  
STB finance docket No. 33842

Attn: Surface Transportation Board

My name is Sherry Heywood, and I am the Transportation Manager for Industrial Wire Products Corp. IWP is a manufacturer of carbon and stainless steel wire and wire products. Our company has several locations in Southern California including Pomona, Etiwanda, and Los Angeles. I am writing today to specifically address the latest merger proposal by the BNSF/CN railroads, identified as **STB ex-Parte No. 582**, and **STB finance docket No. 33842**.

At IWP, we rely on the railroads to source our raw materials, most notably wire rod from all over the United States. We have used both major western U.S. railroads, UP and BNSF. All of the railroad merger activity over the past 5 years continues to have adverse impacts for many shippers. Industrial Wire Products Corporation is against any additional mergers in the rail industry at this time.

Any major rail consolidation now or in the immediate future would be extremely unfortunate. IWP supported the recent Southern Pacific and Union Pacific merger. While the merger succeeded in balancing customer access for shippers in the western United States, the merger had its problems. The service declines associated with all the recent mergers have hurt our supply chain process and our ability to serve our customers. Under the existing network, all of the railroads should have an opportunity to improve current service situations and deliver on the promised benefits of the previous mergers.

More consolidation leads to few players in the railroad industry and reduced competition. If this BNSF/CN merger is approved and triggers the likely next step of additional consolidation, we could easily have two railroads left in North America. Such a situation is prone to full

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government regulation and it is unlikely that railroads and their customers would prosper. More likely, is a scenario in which service deteriorates, investment in infrastructure suffers, and branch lines are retired.

I support the Surface Transportation Board's decision in the BNSF/CN docket to examine carefully the proposed merger, including all of the efforts it could have on the rail transportation industry. We are against any further consolidations at this time. Instead, resources that would be directed toward a BNSF/CN merger might be better focused on improvements in other areas such as interchanges between carriers, satellite tracing technology, car supply, and other immediate benefits to customers that rely on railroads.

Sincerely,

A handwritten signature in cursive script that reads "Sherry Heywood". The signature is written in dark ink and is positioned above the printed name and title.

Sherry Heywood  
Transportation Manager

SH:lb

\*We request the board to waive the electronic submission of this notice.